

TITLE V FEES

New Mexico Environment Department

Air Quality Bureau

July 14, 2004

- Requesting \$1.75 increase in 2005 billing cycle (for 2004 emissions), then \$2 per ton per year
 - Increases until 2008 when fees are \$18 per ton
 - Permittees requested phased-in approach
 - Since companies generally budget in summer for the next year, we have provided our proposal now to allow time for budgeting



- Fees for excess emissions (beginning 2006)
 - Same as fee for annual emissions
 - Based on source's required deviation report from previous year
 - No tonnage cap proposed for excess emissions fees
 - Draft proposal includes all excess emissions, not just unexcused emissions
 - Provides incentive to operate under permit conditions and decrease emissions
 - All excess emissions, even if total is less than allowables



Excess Emissions

- Add definition of "excess emissions" to 20.2.2
 NMAC Definitions
- 20.2.7 NMAC definition: "Excess emissions" means the emission of air contaminants in excess of an applicable emission limitation or requirement, including requirements for control of fugitive emissions as prescribed by the Board in its Air Quality Control Regulations.



- CPI annual adjustment beginning 2009
 - Required by Clean Air Act
 - Precludes need to return to EIB for future revisions
 - No CPI adjustment during ramp up for predictability and simplicity



- No longer bill for PTE in addition to allowable emissions
 - Simpler to predict and administer
 - No longer required since all existing sources have permit limits on emissions



- If Dept. discovers an error in billing or reporting, we will revise billing accordingly with either a credit or an invoice
 - Billings due within 60 days of invoice date



Technical Corrections

- Removal of archaic language concerning "existing" and "new" sources
- Clearly describe how and when a modification of a source affects the Title V fee
- Removed definition of "standby equipment" since the term is not used in this rule



Proposed Uses of Additional Funds Over the Next Five Years

- Improve staff technical training
- NSR / Title V integration
- Improve compliance outreach / training for the industry and the public
- Small business assistance and air quality ombudsman
- Add 4 permit writers
- Add 4 inspectors, primarily in the field offices



Proposed Uses of Additional Funds Over the Next Five Years

- Improve monitoring network: Assess locations, increase the number and improve remote capabilities. Potentially purchase mobile units.
- Improve technical capabilities: Upgrade equipment, improve file management, enhance web based capabilities, and dedicate resources toward database management.
- Special Projects: Improve permit template, assess state standards, and develop guidance on excess emissions.



Title V Fee Schedule

- Initial public meeting: June 23
- Developed and distributed first draft: July 6
- Second meeting to refine ideas, gather input: July 14
- Draft proposal to EIB: July 19
- Request for EIB hearing: August 3
- Submit public notice for EIB hearing: August 16
- Third meeting on draft proposal in August?
- Write petition based upon needs and input
- Prepare testimony and present to board: November 2004



Additional Information

- This and other materials posted here: <u>http://www.nmenv.state.nm.us/aqb/projects/T5</u>
- Contact Erik Aaboe at (505) 955-8081 or via email at erik_aaboe@nmenv.state.nm.us



